

# **PROFILE OF HISPANIC-OWNED BUSINESSES MIAMI-DADE COUNTY 2007**



Miami-Dade County  
Department of Planning and Zoning  
Planning Research  
111 NW 1 Street, Suite 1220  
Miami, Florida 33128-1972  
December 2010

## HIGHLIGHTS

- The number of Hispanic firms in Miami-Dade County increased from 47,725 in 1987 to 244,148 in 2007, a 412 percent increase.
- Total sales and receipts of these firms increased tenfold from 1987 to 2007 to about \$45.0 billion.
- Employment went up by 464 percent and stood at 169,525 in 2007.
- There were 28,455 Hispanic firms with paid employees. About two-thirds of these are in five sectors, *Professional, scientific, and technical services* (4,361), *Retail trade* (3,503), *Wholesale trade* (3,471), *Health care and social assistance* (3,433), and *Construction* (3,048).
- There were 215,693 Hispanic firms with no paid employees. About two-thirds of these are in five sectors, *Other services* (40,872), *Administrative and support and waste management and remediation services* (29,611), *Construction* (29,175), *Transportation and warehousing* (21,754), and *Health care and social assistance* (19,551).
- Sales in firms without employees are characterized by very low sales per firm compared to their counterparts with employees.
- Overall, about 61.8 percent of Hispanic business activity in Florida occurs in Miami-Dade County when measured by sales and receipts.
- In general, Hispanic business participation in the Miami-Dade County economy is higher, in percentage terms, than their counterparts nationwide.
- Twelve counties with the largest number of Hispanic-owned firms in the U.S. contain 41.6 percent of all the nation's Hispanic firms. These twelve also account for 40.5 percent of all sales and receipts of Hispanic firms.
- Miami-Dade County tops all other counties as a center of Hispanic business activity. It is ranked first by number of firms, total receipts, number of employees, and annual payroll.
- In terms of average pay per firm, Miami-Dade County ranks eighth among the top twelve counties with the largest number of Hispanic-owned firms in the U.S.
- In Miami-Dade County, Cubans are the predominant Hispanic group with respect to Hispanic businesses; they own 48.2 percent of the firms and generate 54.8 percent of the sales. However, those firms classified as Other Hispanic, Latino, or Spanish firms now own 38.9 percent of all Hispanic firms versus less than 20.1 percent in 1987.

## **Introduction**

As part of the economic censuses conducted by the U.S. Census Bureau, a series of reports on the status of minority-owned businesses has been published. The most recent report on Hispanic-owned firms has just become available.<sup>1</sup> For the first time in the series there is a clear distinction between firms with paid employees and those with no paid employees.<sup>2</sup> The information contained in this report allows for a relatively current description of Hispanic business activity in Miami-Dade County and provides a perspective on how the situation has changed. In addition, this report provides a geographic comparison to other counties, as well as an analysis of firms by Hispanic origin. The following figures summarize the extent of Hispanic business participation in the Miami-Dade County economy for firms with employees. They are expressed as numerical data and percentage shares of Miami-Dade totals for the items listed.<sup>3</sup>

	<u>1987</u>	<u>1992</u>	<u>1997</u>	<u>2002</u>	<u>2007</u>
<b>Firms</b>	6,528 <i>11.3%</i>	10,537 <i>16.7%</i>	26,332 <i>43.8%</i>	24,024 <i>39.2%</i>	28,455 <i>42.6%</i>
<b>Employees</b>	30,069 <i>4.2%</i>	72,976 <i>9.6%</i>	128,135 <i>16.0%</i>	131,451 <i>15.5%</i>	169,525 <i>17.0%</i>
<b>Payroll (\$1,000)</b>	\$404,141 <i>3.0%</i>	\$1,290,112 <i>7.4%</i>	\$2,868,996 <i>13.4%</i>	\$3,419,624 <i>12.6%</i>	\$5,161,434 <i>12.7%</i>

These data indicate that Hispanic business participation in the Miami-Dade economy has moved up substantially over the last twenty years in terms of number of firms, employees, and payroll.

This increased business participation occurred simultaneous to an increase in Hispanic persons as a percent of total population in Miami-Dade. This figure increased from about 46.2 percent in 1987 to just over 61.9 percent in 2007. Further, there was an even greater change in share of the labor force. These and other details about Hispanic-owned firms are set forth in the remainder of this study, the seventh in a series.

## **Data Comparability to Prior Surveys**

As in previous census years, Survey of Business Owners (SBO) data for 2002 and 2007 are not directly comparable to previous survey years because of several significant changes to survey methodology. The most significant change occurred in data presentation of kind of business with

---

<sup>1</sup> U.S. Department of Commerce, Economics and Statistics Administration, U.S. Census Bureau, Survey of Business Owners, Hispanic-Owned Firms, September 2010.

<sup>2</sup> In this report, when reference is made to “employees”, it means “paid” employees.

<sup>3</sup> The figures for the years 1987 and 1992 are derived by utilizing totals for each of the variables as published in the U.S. Department of Commerce, County Business Patterns. Comparability between that publication and the Minority-Owned Business reports is not exact and thus the values should be considered estimates. Further, in the 1987 Hispanic Minority-Owned Business report, the number of firms was substantially overstated so the ratio is incorrect to an unknown extent. The figures for 1997 and 2002 are derived utilizing totals for each of the variables as published in the U.S. Department of Commerce, Company Summary.

the transition from the 1987 Standard Industrial Classification (SIC) system to the 2002 North American Industry Classification System (NAICS). Furthermore, the 2007 SBO survey includes firms with no paid employees. Because these firms were omitted from previous surveys, caution should be exercised in comparing 2007 SBO data for firms without employees with data from other surveys. For a detailed explanation of these changes, the reader is referred to the individual census reports.<sup>4</sup>

Prior to 1997, there was no single data source which was fully comparable to total County business activity and activity of Hispanic-owned businesses. Certain key measures of such activity are presented in the Censuses of Business (COB) and special Minority-Owned Business (MOB) surveys. However, census data is not available for all kinds of businesses, dates of all censuses do not coincide with Minority-Owned Business surveys, and several definitional conflicts pervade these data sources. County Business Patterns (CBP) presents a relatively complete business count, but this source is also not directly comparable to the MOB surveys. County Business Patterns presents data on an establishment basis, whereas MOB survey reports on firms, which could be parent to more than one establishment. Also, CBP data is confined to establishments with one or more employees, whereas hired employees are not a prerequisite to MOB coverage.

Beginning in 1997, the U.S. Department of Commerce published a report that included all business activity in the County. This report is called “Company Summary” and is part of the economic censuses. As result, the data is comparable with the SBO, formerly known as the Survey of Minority-Owned Business Enterprises (SMOBE). Thus, the 1997, 2002, and 2007 comparisons probably present the most accurate status of Hispanic-owned business locally.

### **Overview of All Hispanic-Owned Businesses**

In this report a clear distinction is made between firms that have at least one paid employee and firms that have no employees. As such, each type of firms will be discussed separately. It is important to note that a much more inclusive set of business characteristics is available for firms with employees. The number of firms and receipts are the only common characteristics in the data for both firms with employees and firms without employees. As should be expected, firms with employees are much larger in terms of revenues than their counterparts without employees. However, in terms of the number of firms the situation is reversed. Table 1, which is taken from the 2002 and 2007 SBO, as well as the respective Company Summary reports, shows data of all Hispanic-owned firms as compared to all firms for Miami-Dade, Florida, and the United States. Chart 1 illustrates graphically the growth of Hispanic firms between 2002 and 2007. As shown, Hispanic firms in Florida grew faster than their counterparts in Miami-Dade and the United States. The following sections describe and provide analysis for each type of firm.

---

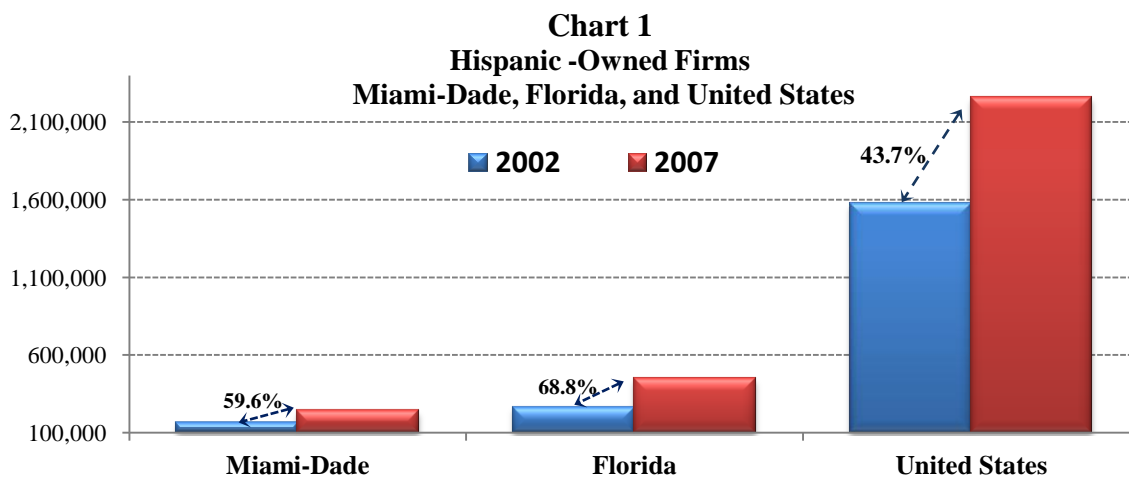
<sup>4</sup> U.S. Department of Commerce, Economics and Statistics Administration, Census Bureau, Survey of Business Owners, Hispanic-Owned Firms, 2002 and 2007, Survey of Minority-Owned Business Enterprises, Hispanic-Owned Firms: 1987, 1992, and 1997.

**TABLE 1**  
Comparison of Hispanic-Owned Firms to All Firms\*  
Miami-Dade County, Florida, and United States  
2002 and 2007

	Firms (number)	% Change (2002-07)	Receipts (\$1,000)	% Change (2002-07)
<b>Miami-Dade</b>				
Hispanic-Owned Firms				
2002	163,187		26,226,221	
2007	244,148	49.6	45,039,001	71.7
All Firms				
2002	297,458		161,690,012	
2007	403,822	35.8	242,487,467	50.0
<b>Florida</b>				
Hispanic-Owned Firms				
2002	266,688		40,891,975	
2007	450,185	68.8	72,924,313	78.3
All Firms				
2002	1,539,207		1,075,802,198	
2007	2,010,406	30.6	1,470,112,023	36.7
<b>United States</b>				
Hispanic-Owned Firms				
2002	1,573,464		221,927,425	
2007	2,260,309	43.7	345,183,070	55.5
All Firms				
2002	22,974,655		22,603,658,904	
2007	27,110,353	18.0	30,181,169,249	33.5

\* All firms include firms with paid employees and firms with no paid employees.

Source: U.S. Census Bureau, 2002 and 2007 Economic Census, Survey of Business Owners (SBO), Hispanic-Owned Firms: SB02-00CS-HISP (RV), August 2006 and 2007 Survey of Business Owners (SBO), Hispanic-Owned Firms: SBO700CSA01. Compiled by Miami-Dade County, Department of Planning and Zoning, Research Section, 2010.



Source: U.S. Census Bureau, Miami-Dade County, Department of Planning and Zoning, Research Section, 2010.

## **Firms with Employees**

In 2007, a total of 66,753 business firms with employees were operating in Miami-Dade County according to preliminary summary estimates from the Survey of Business Owners (SBO). The survey refers to this type of firm as “employer” firms. The number of Hispanic-owned firms with employees reported in the same survey was 28,455. Thus, about 42.6 percent of such local business firms were Hispanic-owned. This is a significant increase from 11.3 percent in 1987 but it may be inflated to some extent due to changes in the survey methodology in 2007 that affect comparability with past data. Table 2 replicates the first table. It shows data on Hispanic-owned firms with employees as compared to all employer firms for Miami-Dade, Florida, and the United States. Chart 2 identifies the number of Hispanic-owned employer firms as a percentage of total employer firms in Miami-Dade, Florida, and the United States between 2002 and 2007. As shown, the rate of change in shares of Hispanic firms of the respective total firms in Miami-Dade is higher in percentage terms than their counterparts in Florida and the United States.

Along with the totals shown in the second table, Table 3 reveals the industrial distribution in 2002 and 2007 for Hispanic-owned firms with employees in terms of number of firms, in Miami-Dade County. When compared to the County as a whole, Hispanic-owned firms grew faster (18.4 percent) than their all businesses counterparts (8.8 percent) between 2002 and 2007. For the individual industry groups, the results are mixed. In only seven out of fourteen sectors, Hispanic firms exceeded the growth of the corresponding sectors in the all firms category. Once again, *Construction* is the best performer, along with *Finance and insurance* and *Professional, scientific, and technical services*.

Hispanic businesses as a percent of County totals for industry groups in 2007 varies from a high of 60.7 percent in *Construction* to a low of 16.5 percent in *Educational services*. As a share of County totals, eleven out of sixteen Hispanic industry groups gained. Hispanic businesses were concentrated in five sectors: *Professional, scientific, and technical services* (15.3 percent), *Retail trade* (12.3 percent), *Wholesale trade* (12.2 percent), *Health care and social assistance* (12.1 percent), and *Construction* (10.7 percent). These five sectors represent almost two thirds of all Hispanic-owned firms in Miami-Dade County.

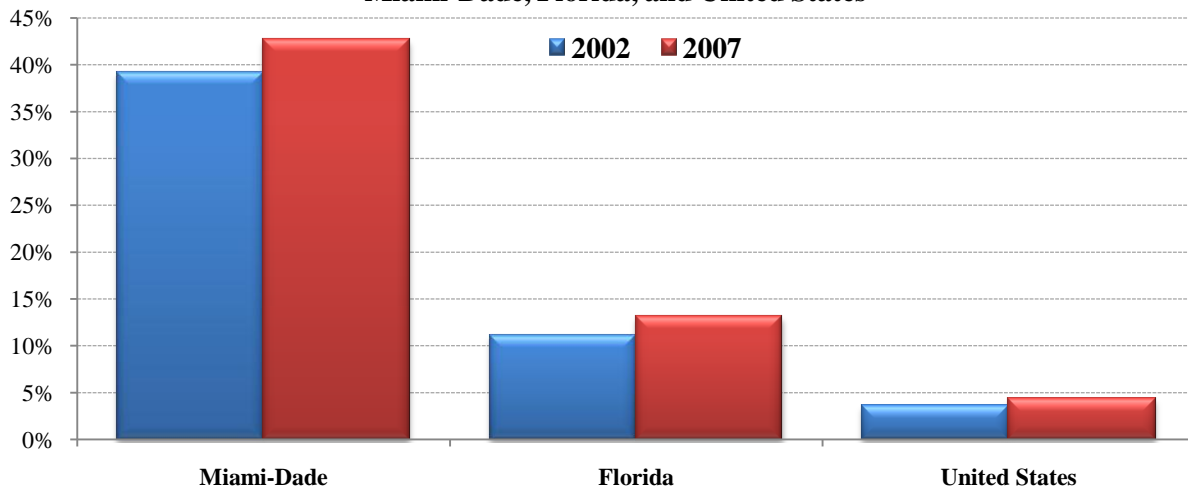
Between 2002 and 2007 the big gainers in share among Hispanic businesses were *Construction*, up almost four percentage points, *Other services* up two and a half percentage points, and *Professional, scientific, and technical services* up two percentage points. *Finance and insurance*, as well as *Transportation and warehousing* also registered small gains in share. *Retail trade*, *Real estate and rental and leasing*, *Administrative and support and waste management and remediation services*, as well as *Health care and social assistance* declined in shares while still adding more than five percent gains in the number of firms. Chart 3 shows the percentage distribution of Hispanic firms by sector in 2002 and 2007.

**TABLE 2**  
Comparison of Hispanic-Owned Firms with Paid Employees to All Firms With Paid Employees  
Miami-Dade County, Florida, and United States  
2002 and 2007

	Firms (number)	Percent Change (2002-07)	Receipts (\$1,000)	Percent Change (2002-07)	Employees (number)	Percent Change (2002-07)	Payroll (\$1,000)	Percent Change (2002-07)
<b>Miami-Dade</b>								
Hispanic-Owned Firms								
2002	24,024		27,210,151		131,451		3,419,624	
2007	28,455	18.4	37,626,491	38.3	169,525	29.0	5,161,434	50.9
All Firms								
2002	61,370		152,947,630		849,262		27,210,151	
2007	66,753	8.8	229,351,112	50.0	1,000,183	17.8	40,583,965	49.2
<b>Florida</b>								
Hispanic-Owned Firms								
2002	39,955		33,380,312		222,516		5,869,062	
2007	54,683	36.9	59,383,829	77.9	306,015	37.5	9,239,310	57.4
All Firms								
2002	360,179		1,022,017,541					
2007	415,144	15.3	1,396,007,087	36.6	6,205,482		185,846,799	
					7,266,120	17.1	260,763,392	40.3
<b>United States</b>								
Hispanic-Owned Firms								
2002	199,542		179,507,959		1,536,795		36,711,718	
2007	249,168	24.9	274,494,450	52.9	1,932,243	25.7	54,601,988	48.7
All Firms								
2002	5,524,784		21,836,249,354		110,766,605		3,812,427,806	
2007	5,752,967	4.1	29,208,474,959	33.8	118,665,692	7.1	4,886,859,299	28.2

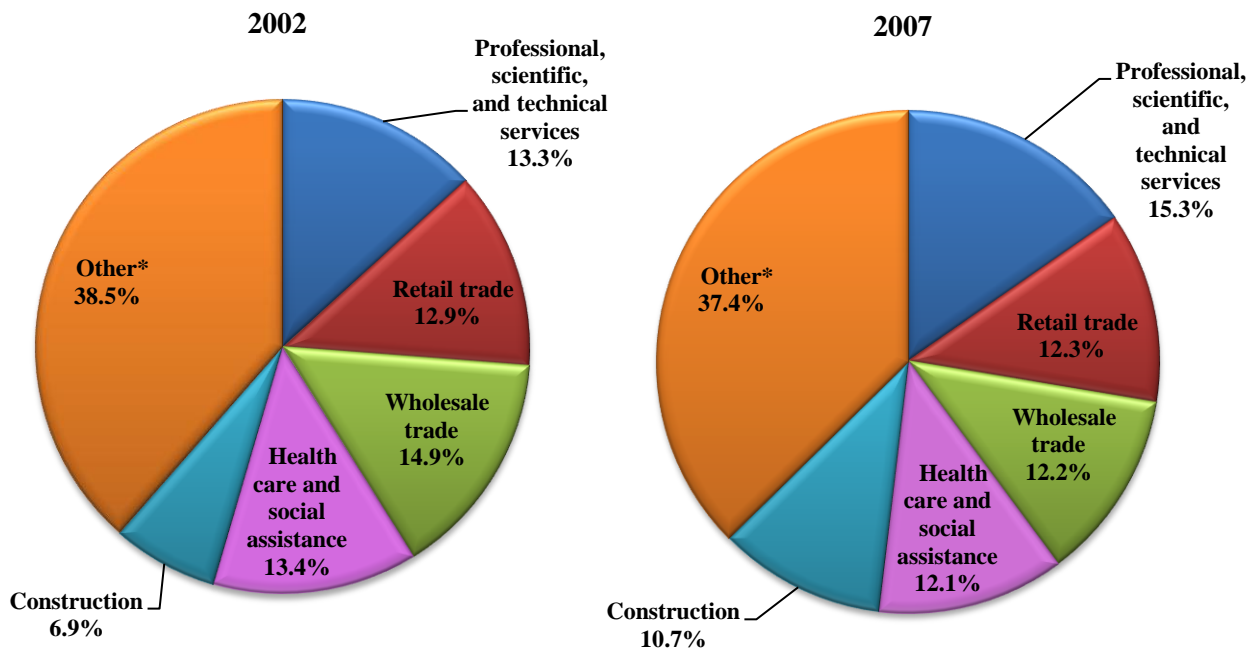
Source: U.S. Census Bureau, 2002 and 2007 Economic Census, Survey of Business Owners (SBO), Hispanic-Owned Firms: SB02-00CS-HISP (RV), August 2006 and 2007 Survey of Business Owners (SBO), Hispanic-Owned Firms: SBO700CSA01. Compiled by Miami-Dade County, Department of Planning and Zoning, Research Section, 2010.

**Chart 2**  
**Hispanic-Owned Firms with Paid Employees,**  
**as a Share of All Firms,**  
**Miami-Dade, Florida, and United States**



Source: U.S. Census Bureau, Miami-Dade County, Department of Planning and Zoning, Research Section, 2010.

**Chart 3**  
**Hispanic-Owned Firms with Paid Employees, by Sector**  
**Miami-Dade County**



\* Includes 15 sectors with the largest at 6.7 percent share.

\* Includes 15 sectors with the largest at 6.3 percent share.

Source: U.S. Census Bureau, Miami-Dade County, Department of Planning and Zoning, Research Section, 2010.

**TABLE 3**  
Firms with Paid Employees  
Hispanic-Owned Firms Compared to All Businesses, by Sector

**Firms**

Miami-Dade County: 2002 and 2007

Sector	Total		Hispanic-Owned Firms				Hispanic-Owned Firms	
	Firms (number)	Firms (number)	Firms (number)	Firms (number)	Percent Distribution	Percent Distribution	As s Percent of Total Firms	
	2002	2007	2002	2007	2002	2007	2002	2007
Total for all sectors	61,370	66,753	24,024	28,455	100.0	100.0	39.1%	42.6%
Agriculture, forestry, fishing and hunting	48	S	S	9	-	0.0	-	-
Mining, quarrying, and oil and gas extraction	15	22	S	S	-	-	-	-
Utilities	15	20	S	S	-	-	-	-
Construction	3,921	5,022	1,665	3,048	6.9	10.7	42.5%	60.7%
Manufacturing	2,607	2,469	1,002	958	4.2	3.4	38.4%	38.8%
Wholesale trade	8,748	8,292	3,582	3,471	14.9	12.2	40.9%	41.9%
Retail trade	8,164	7,860	3,110	3,503	12.9	12.3	38.1%	44.6%
Transportation and warehousing	2,500	2,714	1,067	1,356	4.4	4.8	42.7%	50.0%
Information	1,106	1,186	359	368	1.5	1.3	32.5%	31.0%
Finance and insurance	2,956	3,800	1,137	1,560	4.7	5.5	38.5%	41.1%
Real estate and rental and leasing	3,601	4,393	1,434	1,635	6.0	5.7	39.8%	37.2%
Professional, scientific, and technical services	9,653	11,508	3,189	4,361	13.3	15.3	33.0%	37.9%
Management of companies and enterprises	256	S	16	33	0.1	0.1	6.3%	-
Admin. and support and waste mang and rem. srvs	3,214	3,285	1,244	1,323	5.2	4.6	38.7%	40.3%
Educational services	613	726	146	120	0.6	0.4	23.8%	16.5%
Health care and social assistance	6,521	7,268	3,217	3,433	13.4	12.1	49.3%	47.2%
Arts, entertainment , and recreation	731	1,010	226	279	0.9	1.0	30.9%	27.6%
Accommodation and food services	3,212	3,564	S	1,203	-	4.2	-	33.8%
Other services (except public administration)	3,782	3,647	1,610	1,778	3.7	6.2	42.6%	48.8%
Industries not classified	184	S	S	S	-	-	-	-

S = Estimates are suppressed when publication standards are not met, such as the relative standard error of the sales and receipts is 50 percent or more.

Source: U.S. Census Bureau, 2002 and 2007 Economic Census, Survey of Business Owners (SBO), Hispanic-Owned Firms: SB02-00CS-HISP (RV), August 2006 and 2007 Survey of Business Owners (SBO), Hispanic-Owned Firms: SBO700CSA01. Compiled by Miami-Dade County, Department of Planning and Zoning, Research Section, 2010.

In terms of employment, shown in Table 4, Hispanic participation in Miami-Dade's business population moved from 15.5 percent in 2002 to 16.9 percent in 2007. While this gain was relatively less than that for firms, average employment per firm went up from five to six employees. Hispanic-owned firms with payrolls employed 169,525 persons in 2007, an increase by almost 29 percent from 2002 (an addition of 38,074 employees). *Health care and social assistance* is the industry that employs the largest number of workers, 31,236. Other sectors with large number of employees include *Wholesale trade* (21,752 workers), *Retail trade* (21,260 workers), *Construction* (19,497 workers), and *Professional, scientific, and technical services* 16,947 workers). These five sectors comprise about 65.3 percent of total employment.

The employment distribution of Hispanic firms in 2007 is similar to that of all County firms in about half of the sectors. The *Health care and social assistance*, *Professional, scientific, and technical services*, *Wholesale trade*, and *Construction* sectors, in that order, have the largest shares. The biggest absolute increase in employment occurred in *Health care and social assistance* with a gain of 14,064. Next in employees added was *Construction* followed by *Professional, scientific, and technical services*. Hispanic firms were underrepresented compared to all County firms in *Administrative and support and waste management and remediation services*, as well as *Accommodation and food services*. *Hispanic firms were over-represented in the Professional, scientific, and technical services, Construction and Wholesale trade.*

The largest gains in share of total County employment by sector registered by Hispanic firms took place in *Construction*, *Health care and social assistance*, and *Professional, scientific and technical services* sectors. Overall, gains in share occurred in ten out of fourteen industry groups. While these employment gains imply an increase in Hispanic participation in the Miami-Dade County's economy, one must consider these gains against the fact that Miami-Dade's population – as mentioned earlier – is more than 60 percent Hispanic. Between 2002 and 2007, the rate of increase in Hispanic persons as compared to that of total population in Miami-Dade County was greater by more than 44 percentage points. At the same time, the participation of Hispanics in Miami-Dade, as measured by the growth in employment, was significantly higher than the corresponding measure of all firms in the County.

Table 5 replicates the previous two tables using annual payroll as the measure. As would be expected, there is a high correlation with employment in terms of the absolute numbers and proportions. In 2007, Hispanic businesses' shares of County payroll totals sector by sector are lower than the employment percentages. One explanation for this could be the relative low wage rates in the Miami area. The only exception is for the *Arts, entertainment, and recreation* sector where payroll share is higher. *Health care and social assistance*, *Professional, scientific, and technical services*, *Wholesale trade*, *Construction*, and *Retail trade* are the top five sectors in terms of payroll. Together they account for almost 70.0 percent of the total. Among all sectors, the average payroll per firm was \$181,389. For individual sectors, *Management of Companies and Enterprises* ranked first at \$1,453,545 and *Other services (except public administration)* was lowest at \$72,353.

In 2007, the average payroll per employee in all Hispanic-owned firms stood at \$30,446. However, despite the growth in firms and employment and advances in annual payroll between 2002 and 2007, the average payroll per employee in Hispanic firms did not improve relative to the overall County average. At \$26,014 in 2002, it increased to \$30,446 in 2007 the former being 80.9 percent of the County average while the latter is only 75.0 percent.

**TABLE 4**  
**Firms with Paid Employees**  
**Hispanic-Owned Firms Compared to All Businesses, by Sector**  
**Employees**

Miami-Dade County: 2002 and 2007

Sector	Total Firms		Hispanic-Owned Firms				Hispanic-Owned Firms	
	Employees (number)	Employees (number)	Employees (number)	Employees (number)	Percent Distribution	Percent Distribution	As a Percent of Total Firms	
	2002	2007	2002	2007	2002	2007	2002	2007
Total for all sectors	849,262	1,000,183	131,451	169,525	100.0	100.0	15.5%	16.9%
Agriculture, forestry, fishing and hunting	1,000	S	S	16	-	0.0	-	-
Mining, quarrying, and oil and gas extraction	747	858	S	S	-	-	-	-
Utilities	N/A	4,599	S	S	-	-	-	-
Construction	35,758	42,319	12,534	19,497	9.5	13.1	35.1%	46.1%
Manufacturing	52,194	42,260	9,352	8,563	7.1	5.0	17.9%	20.3%
Wholesale trade	69,173	70,438	20,656	21,752	15.7	14.6	29.9%	30.9%
Retail trade	111,608	125,979	16,758	21,260	12.7	9.8	15.0%	16.9%
Transportation and warehousing	47,746	54,933	5,303	7,545	4.0	3.9	11.1%	13.7%
Information	26,864	23,946	1,908	1,214	1.5	1.1	7.1%	5.1%
Finance and insurance	45,089	49,048	4,384	5,662	3.3	4.6	9.7%	11.5%
Real estate and rental and leasing	18,362	27,281	3,902	5,958	3.0	3.3	21.3%	21.8%
Professional, scientific, and technical services	56,215	65,911	10,848	16,947	8.3	15.6	19.3%	25.7%
Management of companies and enterprises	24,955	S	325	1,399	0.2	0.9	1.3%	-
Admin. and support and waste mang and rem. srvs	119,862	205,357	9,533	7,714	7.3	3.9	8.0%	3.8%
Educational services	25,855	33,213	1,571	1,324	1.2	0.7	6.1%	4.0%
Health care and social assistance	96,174	111,460	17,172	31,236	13.1	16.8	17.9%	28.0%
Arts, entertainment , and recreation	10,603	11,920	835	704	0.6	0.5	7.9%	5.9%
Accommodation and food services	81,067	91,447	S	12,361	-	3.7	-	13.5%
Other services (except public administration)	20,676	20,260	5,540	6,265	4.2	2.5	26.8%	30.9%
Industries not classified	N/A	S	S	S	-	-	-	-

S = Estimates are suppressed when publication standards are not met, such as the relative standard error of the sales and receipts is 50 percent or more.

N/A = Not Available.

Source: U.S. Census Bureau, 2002 and 2007 Economic Census, Survey of Business Owners (SBO), Hispanic-Owned Firms: SB02-00CS-HISP (RV), August 2006 and 2007 Survey of Business Owners (SBO), Hispanic-Owned Firms: SBO700CSA01. Compiled by Miami-Dade County, Department of Planning and Zoning, Research Section, 2010.

**TABLE 5**  
Firms with Paid Employees  
Hispanic-Owned Firms Compared to All Businesses, by Sector

**Payroll**

Miami-Dade County: 2002 and 2007

Sector	Total Firms		Hispanic-Owned Firms				Hispanic-Owned Firms	
	Payroll (\$1,000)	Payroll (\$1,000)	Payroll (\$1,000)	Payroll (\$1,000)	Percent Distribution	Percent Distribution	As a Percent of Total Firms	
	2002	2007	2002	2007	2002	2007	2002	2007
Total for all sectors	27,210,151	40,583,965	3,419,624	5,161,434	100.0	100.0	12.6%	12.7%
Agriculture, forestry, fishing and hunting	14,223	S	S	776	-	0.0	-	-
Mining, quarrying, and oil and gas extraction	32,782	51,890	S	S	-	-	-	-
Utilities	N/A	296,559	S	S	-	-	-	-
Construction	1,205,596	1,794,280	293,897	676,643	8.6	13.1	24.4%	37.7%
Manufacturing	1,644,530	1,603,195	250,144	256,948	7.3	5.0	15.2%	16.0%
Wholesale trade	2,768,212	3,188,715	656,330	755,061	19.2	14.6	23.7%	23.7%
Retail trade	2,340,443	3,068,444	343,520	504,008	10.0	9.8	14.7%	16.4%
Transportation and warehousing	1,526,275	2,188,062	133,686	203,446	3.9	3.9	8.8%	9.3%
Information	1,207,689	1,535,238	70,134	57,388	2.1	1.1	5.8%	3.7%
Finance and insurance	2,550,684	3,514,094	161,648	239,717	4.7	4.6	6.3%	6.8%
Real estate and rental and leasing	557,294	1,005,403	89,992	170,108	2.6	3.3	16.1%	16.9%
Professional, scientific, and technical services	2,916,414	4,146,385	405,849	805,415	11.9	15.6	13.9%	19.4%
Management of companies and enterprises	1,479,525	S	11,439	47,967	0.3	0.9	0.8%	-
Admin. and support and waste mang and rem. srvs	2,794,911	8,741,840	200,534	198,933	5.9	3.9	7.2%	2.3%
Educational services	863,156	1,327,437	32,243	34,165	0.9	0.7	3.7%	2.6%
Health care and social assistance	3,143,442	4,186,447	500,435	867,007	14.6	16.8	15.9%	20.7%
Arts, entertainment , and recreation	312,259	393,788	18,368	24,236	0.5	0.5	5.9%	6.2%
Accommodation and food services	1,186,415	1,675,452	S	190,087	-	3.7	-	11.3%
Other services (except public administration)	405,901	435,392	111,309	128,644	3.3	2.5	27.4%	29.5%
Industries not classified	N/A	S	S	S	-	-	-	-

S = Estimates are suppressed when publication standards are not met, such as the relative standard error of the sales and receipts is 50 percent or more.

N/A = Not Available.

Source: U.S. Census Bureau, 2002 and 2007 Economic Census, Survey of Business Owners (SBO), Hispanic-Owned Firms: SB02-00CS-HISP (RV), August 2006 and 2007 Survey of Business Owners (SBO), Hispanic-Owned Firms: SBO700CSA01. Compiled by Miami-Dade County, Department of Planning and Zoning, Research Section, 2010.

## **Characteristics of Hispanic-Owned Firms for Selected Sectors**

The comparison of SBO data with the 2007 preliminary summary estimates and County Business Patterns data, as well as the percentage shares of the County totals, shown earlier in the report, gives the clearest picture of the Hispanic component of Miami-Dade's business community. However, those data compare only business units that have at least one employee. In 2007, just over 88 percent of the County's Hispanic-owned businesses were owner-operated with no employees.<sup>5</sup> These are referred to as "non-employer" firms by the Survey of Business Owners. In 2007, there were 215,693 Hispanic firms with no employees, up from 139,163 in 2002, a 55.0 percent increase. While these businesses may have no paid employees in the formal sense, it is quite common to have family members working in the establishment. If, on average, the individual proprietor had two family members engaged in the businesses, then about 647,000 people would be considered "employed".

In Table 6, selected characteristics of Hispanic-owned firms are provided for the five largest sectors in terms of firms with and without paid employees. These five sectors comprise 42.6 percent of all Hispanic firms (total is 244,148). In terms of all firms, these five sectors make up almost three-fifths of the County totals. For firms with employees, the Hispanic percentages compared to the County are all lower, whereas for firms without employees, the Hispanic percentages compared to the County are all just slightly higher. With respect to employees, the Hispanic firms in these five sectors have much smaller shares of the County totals, Construction being highest at 46.1 percent. Average employee per Hispanic firm is much lower than the countywide average for the respective industries. Just over 53 percent of the firms in these five sectors are found in just two, *Construction*, and *Health care and social assistance*. The latter sector employs 31,236 persons and has the highest number of employees at nine per firm, whereas the former sector employs 19,497 persons and has an average employment size of six employees per firm.

Hispanic firms being smaller, they obviously have lower payroll per firm and lower payroll per employee than countywide averages. For Construction payroll per firm is the highest at about two-thirds of the County averages while *Retail trade* is the lowest at 36.9 percent. For payroll per employee Hispanic firms come much closer to the County levels; *Retail trade* is highest at 97.3 percent of the County average while *Health care and social assistance* is lowest at 73.9 percent. The other three sectors range from 75.5 to 81.9 percent. In regard to payroll per firm, the *Health care and social assistance* sector has the highest figure at \$252,551 followed by *Construction* at \$221,996 and *Wholesale trade* at \$217,534. In payroll per employee, *Professional, scientific, and technical services* has the highest figure at \$47,526 followed by *Wholesale trade* at \$34,712 and *Construction* at \$34,705.

In line with smaller payrolls due to smaller size, Hispanic firms make up relatively small shares of total receipts for each of the five industries. The two highest receipts are *Construction* at 41.3 percent and *Professional, scientific, and technical services* at 26.6 percent. The picture is much the same for receipts of firms without employees. With respect to receipts per firm, Hispanic

---

<sup>5</sup> This is to be defined as having no paid employees, which would not preclude having family members working in the business. This could be significant in the Hispanic community.

businesses show up somewhat better. For all Hispanic firms, *Construction* is nearly 56 percent of the County average and *Professional, scientific, and technical services* is almost 52 percent. Considering only firms with employees these percentages on the whole inch up a bit. However, examination of the figures for receipts per employee reveals that Hispanic firms are much more on par with county measures. In fact, for Retail trade firms Hispanics are close to 100 percent of the County level and *Professional, scientific, and technical services* is almost 95 percent.

In terms of receipts, there is a large disparity between firms with and without paid employees. Near the bottom of Table 6 are shown the receipts per firm for firms with employees. The same variable for firms without employees is only a fraction of these values. Sector by sector they are as follows: *Construction* 2.7 percent, *Wholesale trade* 2.4 percent, *Retail trade* 2.0 percent, *Professional, scientific, and technical services* 5.7 percent, and *Health care and social assistance* 4.8 percent. These percentages represent a very low level of returns. The lowest is \$31,407 in *Health care and social assistance* with *Construction* at \$31,592 and *Professional, scientific, and technical services* at \$33,475. Thus, it should be clear that the per capita earnings in these Hispanic firms without employees are very low. Nevertheless, the earnings in these Hispanic firms fall in line with the earnings of all firms without employees, in part because they constitute a majority of such firms.

**TABLE 6**  
**Characteristics of Hispanic-Owned Firms and Comparison with All Firms**  
**Selected Sectors**  
**Miami-Dade County, Florida, 2007**

Item		% of All Firms	Wholesale Trade	% of All Firms	Retail Trade	% of All Firms	Professional, Scientific, and Tech. Services	% of All Firms	Health Care And Social Assist.	% of All Firms
Hispanic - Owned Firms	Construction									
Totals	32,223	74.0%	9,171	52.6%	16,842	54.8%	22,826	51.4%	22,984	59.3%
Firms With Paid Employees	3,048	60.7%	3,471	41.9%	3,503	44.6%	4,361	37.9%	3,433	47.2%
Firms Without Paid Employees	29,175	75.7%	5,699	62.3%	13,338	58.3%	18,465	56.2%	19,551	62.1%
Number of Employees	19,497	46.1%	21,752	30.9%	21,260	16.9%	16,947	25.7%	31,236	28.0%
Employment Per Firm	6	71.2%	6	70.6%	6	37.4%	4	69.8%	9	58.7%
Annual Payroll (\$000s)	676,643	37.7%	755,061	23.7%	504,008	16.4%	805,415	19.4%	867,007	20.7%
Payroll Per Firm \$	221,996	62.1%	217,534	56.6%	143,879	36.9%	184,686	51.3%	252,551	43.8%
Payroll Per Employee \$	34,705	81.9%	34,712	76.7%	23,707	97.3%	47,526	75.5%	27,757	73.9%
Total Receipts (\$000s)	4,552,781	41.3%	16,407,554	23.1%	6,286,268	17.7%	3,196,042	26.6%	2,856,031	22.1%
Receipts of Firms With Paid Employees (\$000s)	3,631,071	37.0%	15,778,894	22.6%	5,831,717	16.8%	2,577,928	24.3%	2,241,986	18.8%
Receipts of Firms Without Paid Employees (\$000s)	921,710	76.5%	628,661	63.8%	454,551	50.7%	618,114	43.6%	614,045	59.6%
Receipts Per Firm for Total Firms \$	141,290	55.8%	1,789,069	44.0%	373,249	32.3%	140,018	51.7%	124,262	37.2%
Receipts Per Firm With Employees \$	1,191,296	60.9%	4,545,922	53.9%	1,664,778	37.8%	732,869	79.5%	653,069	39.9%
Receipts Per Firm Without Employees \$	31,592	101.0%	110,311	102.4%	34,079	86.9%	33,475	77.6%	31,407	96.0%
Receipts Per Employee \$	186,237	80.3%	725,400	73.1%	274,305	99.8%	152,117	94.5%	71,776	67.2%

Source: U.S. Census Bureau, 2007 Economic Census, Survey of Business Owners (SBO), Hispanic-Owned Firms: SBO700CSA01. Compiled by Miami-Dade County, Department of Planning and Zoning, Research Section, 2010.

## **Geographic Comparisons**

Approximately 39.4 percent of the Hispanic population in Florida resided in Miami-Dade County in 2007. Table 7 shows Miami-Dade County Hispanic businesses as a percent of Florida Hispanic businesses. In the total line for all firms and firms with paid employees, the Miami-Dade share was above its Hispanic population share for all measures. It is apparent from the ratios shown in Table 6 that in 2007 Miami-Dade County still retained the lion's share of Hispanic business activity in Florida, as a whole, and in most industrial sectors.

Table 8 compares the participation of Miami-Dade's Hispanic businesses in the local economy with their counterparts throughout the United States vis-à-vis the national economy. The participation rates are important as they reveal how the Hispanic business sector has performed compared to Hispanic businesses throughout the nation. A number above one means Hispanic businesses in Miami-Dade comprise a larger share of the Miami-Dade totals than do Hispanic businesses nationally with respect to national totals.

The first thing noticeable about the table is that all entries, where data is available, are above one, many being significantly higher. Clearly, Hispanic businesses are relatively more significant in the Miami-Dade economy than their counterparts are nationally. However, between 2002 and 2007 the ratios for all three indicators as measured by the number of firms, employees, and payroll decreased. For individual industry groups, with very few exceptions, the trend is similar. Upward trends in the ratios are found in *Construction* and *Other services* for all three measures, in *Professional, scientific, and technical services* and *Health care and social assistance* in two out of the three measures, namely employees and payroll, and in *Transportation and warehousing* in payroll. On the other hand, the remaining sectors experienced declines in the ratios for all three measures.

Another indication of the importance of Miami-Dade's Hispanic business sector is displayed in Table 9. The numbers shown there are simple percentages of national totals attributable to Miami-Dade's Hispanic businesses. For all employer businesses, Miami-Dade has only about 1.2 percent of the national total. However, Miami-Dade's share of Hispanic businesses is much higher number and for the majority of the measures the Miami-Dade percentages are substantial. This is particular true in *Wholesale trade, Finance and insurance, Real estate and rental and leasing, Professional, scientific, and technical services*, and *Health care and social assistance*.

For the totals, Miami-Dade's shares were stable between 2002 and 2007 for employees and payroll of firms with paid employees. For the all firms and firms with paid employees, as well as receipts the shares were up. For the other measures, the shares were slightly up except for firms with paid employees which experienced a decline. As in Table 8, the results for individual industry groups are not consistent, showing both gains and losses. *Construction*, and *Professional, scientific, and technical services* are the best performers, along with *Management of companies and enterprises* sectors.

**TABLE 7**  
**Comparison of Hispanic-Owned Business Participation**  
**Miami-Dade County as a Percent of State of Florida**  
**2002 and 2007**

Sector	<u>All Firms</u>				<u>Firms with Paid Employees</u>							
	Firms		Receipts		Firms		Receipts		Employees		Payroll	
	2002	2007	2002	2007	2002	2007	2002	2007	2002	2007	2002	2007
Total	61.2	54.2	64.1	61.8	60.1	52.0	65.5	63.4	59.1	55.4	58.3	55.9
Agriculture, forestry, fishing and hunting	N/A	33.9	N/A	22.4	N/A	13.8	N/A	19.2	N/A	2.5	N/A	10.8
Mining, quarrying, and oil and gas extraction	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Utilities	N/A	76.7	N/A	68.2	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Construction	54.1	51.4	52.9	47.8	48.0	38.7	56.2	38.1	55.6	44.5	52.9	48.6
Manufacturing	64.3	55.3	60.3	68.7	66.2	59.2	60.3	63.5	63.5	64.2	60.6	63.0
Wholesale trade	69.4	65.1	74.9	74.4	71.2	68.2	74.8	71.6	73.0	73.5	73.3	68.8
Retail trade	56.4	54.1	63.9	60.5	60.4	56.2	65.3	56.1	66.5	64.4	64.2	61.5
Transportation and warehousing	65.1	54.7	57.4	63.0	69.5	58.4	58.2	35.6	55.5	72.3	57.2	71.4
Information	60.0	51.2	79.8	64.2	71.9	53.5	81.3	54.3	74.7	53.4	73.3	47.8
Finance and insurance	61.8	55.9	79.3	67.9	65.6	65.1	83.7	69.6	68.7	63.7	73.2	64.6
Real estate and rental and leasing	65.8	50.2	66.9	58.2	70.5	52.3	65.6	54.3	70.5	62.1	59.1	63.6
Professional, scientific, and technical services	62.6	56.1	61.9	60.1	61.3	59.3	58.8	62.2	58.1	57.0	57.5	58.0
Management of companies and enterprises	44.4	64.7	N/A	64.7	44.4	64.7	N/A	64.7	N/A	69.3	N/A	59.5
Admin. and support and waste mang and rem. srvs	61.7	49.3	53.0	41.7	50.3	38.1	50.9	39.9	47.0	35.9	42.0	38.7
Educational services	58.9	47.0	73.5	40.5	58.4	38.0	76.7	39.4	78.6	48.7	78.7	43.0
Health care and social assistance	63.0	58.2	54.7	54.7	57.6	50.5	52.7	52.3	57.7	62.3	51.3	52.9
Arts, entertainment , and recreation	52.7	52.7	37.9	63.2	N/A	56.8	N/A	67.6	N/A	61.6	N/A	65.5
Accommodation and food services	60.0	47.6	62.8	41.5	N/A	42.1	N/A	42.3	N/A	36.7	N/A	41.4
Other services (except public administration)	63.1	59.0	56.3	54.9	52.3	45.5	61.2	51.5	52.0	46.5	56.8	46.1
Industries not classified	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

N/A = Not Available

Source: U.S. Census Bureau, 2002 and 2007 Economic Census, Survey of Business Owners (SBO), Hispanic-Owned Firms: SB02-00CS-HISP (RV), August 2006 and 2007 Survey of Business Owners (SBO), Hispanic-Owned Firms: SBO700CSA01. Compiled by Miami-Dade County, Department of Planning and Zoning, Research Section, 2010.

**TABLE 8**  
Comparison of Hispanic-Owned Business Participation  
Miami-Dade County and United States  
2002 and 2007  
Ratio of Shares\*

Sector	Firms with Paid Employees					
	Firms		Employees		Annual Payroll	
	2002	2007	2002	2007	2002	2007
Total for all sectors	10.84	9.84	11.16	10.41	13.05	11.38
Agriculture, forestry, fishing and hunting	N/A	N/A	N/A	N/A	N/A	N/A
Mining, quarrying, and oil and gas extraction	N/A	N/A	N/A	N/A	N/A	N/A
Utilities	N/A	N/A	N/A	N/A	N/A	N/A
Construction	12.32	12.63	12.91	13.06	11.67	14.19
Manufacturing	11.54	10.65	21.42	20.33	24.02	22.35
Wholesale trade	11.45	10.69	20.75	19.75	22.33	20.52
Retail trade	10.97	10.68	14.16	13.12	13.71	12.58
Transportation and warehousing	8.06	7.27	7.67	8.09	7.73	7.22
Information	13.09	10.58	20.50	12.47	20.65	12.13
Finance and insurance	14.19	12.11	26.68	19.08	27.89	21.97
Real estate and rental and leasing	18.30	12.30	20.47	16.05	19.84	15.91
Professional, scientific, and technical services	12.42	11.90	14.56	16.10	12.95	16.09
Management of companies and enterprises	7.54	N/A	6.31	N/A	5.00	N/A
Administrative and Support and Waste Mang	7.39	6.52	2.89	1.52	3.70	1.16
Educational services	10.88	8.01	12.83	8.90	8.52	6.70
Health care and social assistance	13.78	12.45	17.71	23.97	17.00	20.81
Arts, entertainment, and recreation	18.93	14.06	14.17	8.59	8.80	6.96
Accommodation and food services	N/A	5.18	N/A	4.42	N/A	4.09
Other services (except public administration)	8.65	9.12	9.44	9.92	10.83	11.10
Industries not classified	N/A	N/A	N/A	N/A	N/A	N/A

\* NOTE: The numbers shown in the table are ratios of the shares that Hispanic businesses have of the respective total, i.e. Miami-Dade County and the nation. For example, in 2007 Miami-Dade Hispanic firms comprised 42.63 percent of all Miami-Dade firms while the comparable national figure was 4.33 percent. The former divided by the latter yields the ratio 9.84 as displayed in the table.

N/A = Not Available.

Source: U.S. Census Bureau, 2002 and 2007 Economic Census, Survey of Business Owners (SBO), Hispanic-Owned Firms: SB02-00CS-HISP (RV), August 2006 and 2007 Survey of Business Owners (SBO), Hispanic-Owned Firms: SBO700CSA01. Compiled by Miami-Dade County, Department of Planning and Zoning, Research Section, 2010.

**TABLE 9**  
Comparison of Hispanic-Owned Business Participation  
Miami-Dade County as a Percent of United States, 2007  
2002 and 2007

Sector	<u>All Firms</u>				<u>Firms with Paid Employees</u>							
	Firms		Receipts		Firms		Receipts		Employees		Payroll	
	2002	2007	2002	2007	2002	2007	2002	2007	2002	2007	2002	2007
Total	10.4	10.8	11.8	13.0	12.0	11.4	12.2	13.7	8.6	8.8	9.3	9.5
Agriculture, forestry, fishing and hunting	N/A	7.7	N/A	3.1	N/A	1.6	N/A	1.0	N/A	0.1	N/A	0.4
Mining, quarrying, and oil and gas extraction	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Utilities	13.4	29.3	N/A	11.2	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Construction	7.8	9.5	7.4	8.0	6.6	7.9	7.5	8.7	6.6	7.4	5.6	7.5
Manufacturing	9.8	9.2	7.1	7.2	9.7	9.1	7.0	7.0	7.5	6.3	6.7	5.7
Wholesale trade	22.6	20.9	21.9	25.4	28.8	26.5	21.7	25.4	23.9	21.9	23.2	19.1
Retail trade	7.5	9.0	10.1	11.7	12.0	11.8	10.6	12.2	10.7	10.6	10.5	10.5
Transportation and warehousing	11.9	11.5	10.5	10.0	12.0	11.4	11.8	12.4	9.8	11.0	10.0	10.4
Information	11.5	10.6	19.8	14.8	18.9	17.1	20.7	15.4	14.4	8.4	12.4	7.6
Finance and insurance	14.1	13.7	23.2	17.7	17.4	17.5	26.3	17.1	18.0	13.6	18.2	14.6
Real estate and rental and leasing	16.9	13.7	18.0	16.7	24.8	17.7	19.9	15.4	19.0	18.8	17.9	17.8
Professional, scientific, and technical services	12.3	12.3	10.7	14.3	16.5	17.6	10.0	15.0	11.0	13.0	9.7	12.7
Management of companies and enterprises	6.8	11.6	3.2	18.7	6.8	11.6	3.2	18.7	5.4	12.4	3.8	9.2
Admin. and support and waste mang and rem. srvs	10.5	9.9	7.0	5.2	7.8	6.3	6.3	4.0	3.9	2.9	4.9	3.2
Educational services	7.5	7.1	9.6	8.0	10.2	7.5	10.2	8.3	12.9	9.5	10.7	9.2
Health care and social assistance	7.8	9.8	12.5	14.8	15.9	14.8	12.6	14.7	12.2	16.8	11.8	14.2
Arts, entertainment , and recreation	8.2	8.5	8.8	10.1	13.3	12.0	9.8	9.4	8.3	5.0	6.2	4.7
Accommodation and food services	5.8	5.6	6.0	4.3	N/A	3.9	N/A	4.2	N/A	3.5	N/A	4.0
Other services (except public administration)	12.1	12.6	9.1	10.1	8.3	8.8	8.9	7.9	7.5	7.6	7.5	7.1
Industries not classified	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

N/A = Not Available

Source: U.S. Census Bureau, 2002 and 2007 Economic Census, Survey of Business Owners (SBO), Hispanic-Owned Firms: SB02-00CS-HISP (RV), August 2006 and 2007 Survey of Business Owners (SBO), Hispanic-Owned Firms: SBO700CSA01. Compiled by Miami-Dade County, Department of Planning and Zoning, Research Section, 2010.

A final geographic comparison, which is of interest, shows Miami-Dade's standing among other counties with large Hispanic business populations. Table 10 lists the twelve counties with the largest number of Hispanic-owned firms in the United States. Together, they contain almost half (41.6 percent) of all Hispanic firms nationally. The Miami-Miami Beach-Kendall Metropolitan Division, Florida (Miami-Dade County) ranks first in both number of firms and total receipts followed by Los Angeles County, California for those measures. The Miami-Dade area far outstrips Cook County, Illinois for both measures. Furthermore, Miami-Dade ranks second in terms of the percentage of Hispanic firms in any U.S. county relative to the respective state. Chart 4 presents in graphical form the number of Hispanic-owned firms for Miami-Dade County and the top twelve counties with largest number of Hispanic firms in the U.S. in 2007.

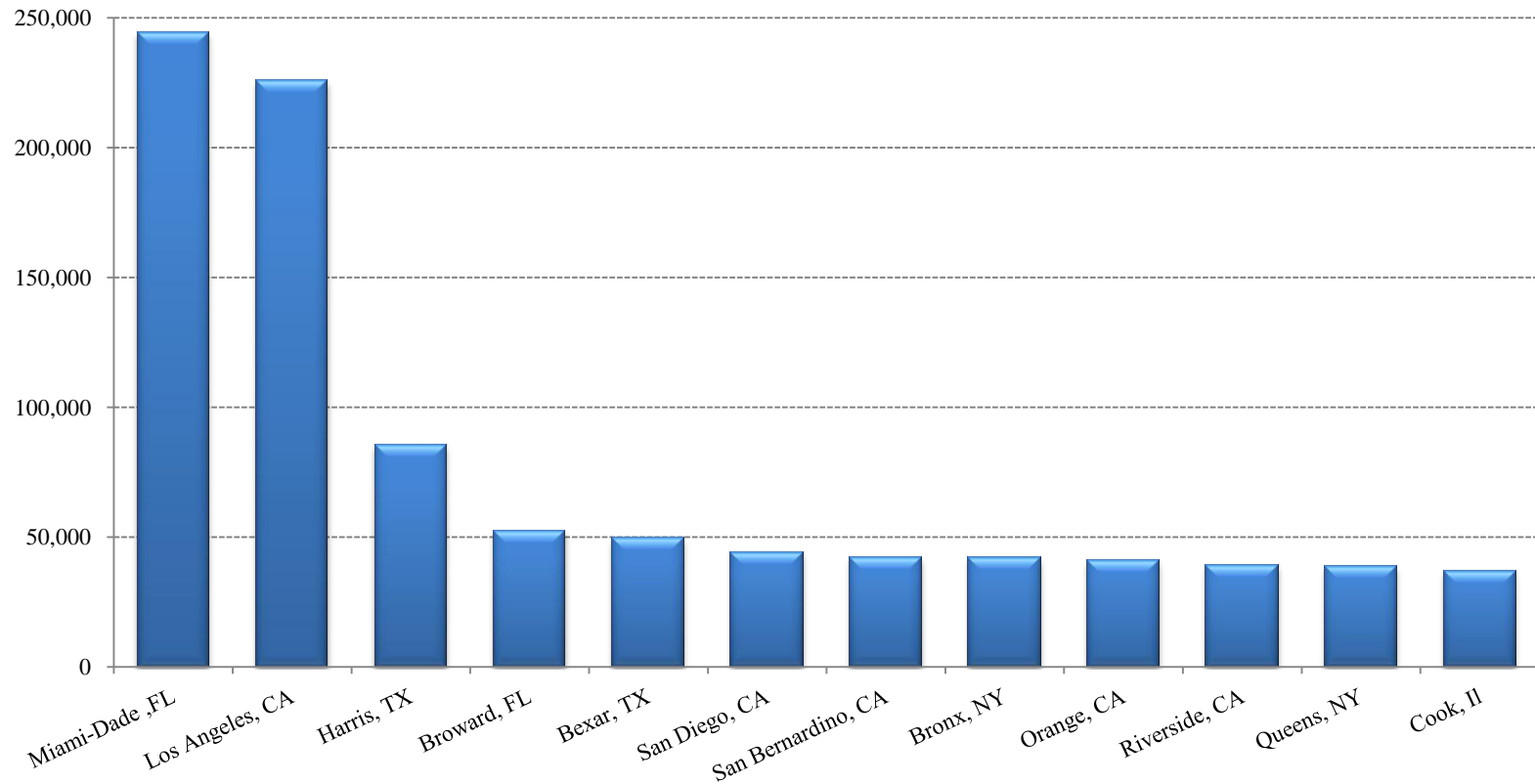
A more refined analysis focuses only on the top five sectors. Together they account for 29.1 percent of all Hispanic firms in the United States. Table 11 compares the four other counties with Miami-Dade as a base of 100. As shown, Miami-Dade exceeds all other areas in all of the eight indicators. Only Los Angeles comes close to the Miami-Dade proportions. In half of the categories, it trails Miami-Dade by less than ten percent. The other three counties fall well below Miami-Dade for all measures. Furthermore, all other areas, except Broward County, declined, for the most part, relative to Miami-Dade County from 2002 to 2007.

**TABLE 10**  
Comparison of Hispanic-Owned Firms  
in Twelve Largest Counties with Hispanic-Owned Firms in State

2007							
<u>County</u>	Firms (Number)	Receipts (\$1,000)	<u>State</u>	Firms (Number)	Receipts (\$1,000)	<u>Percent County to State</u>	
						Firms	Receipts
Miami-Dade County, FL	244,148	45,039,001	Florida	450,185	72,924,313	54.2	61.8
Los Angeles County, CA	225,758	30,909,654	California	566,567	81,051,869	39.8	38.1
Harris County, TX	85,172	14,139,482	Texas	447,486	62,121,583	19.0	22.8
Broward County, FL	52,423	7,623,765	Florida	450,185	72,924,313	11.6	10.5
Bexar County, TX	49,526	6,576,103	Texas	447,486	62,121,583	11.1	10.6
San Diego County, CA	44,118	6,670,255	California	566,567	81,051,869	7.8	8.2
San Bernardino County, CA	41,996	6,121,701	California	566,567	81,051,869	7.4	7.6
Bronx County, NY	41,811	1,896,066	New York	193,248	18,258,813	21.6	10.4
Orange County, CA	40,905	7,558,631	California	566,567	81,051,869	7.2	9.3
Riverside County, CA	39,177	4,320,328	California	566,567	81,051,869	6.9	5.3
Queens County, NY	38,708	2,844,148	New York	193,248	18,258,813	20.0	15.6
Cook County, IL	36,750	6,241,292	Illinois	56,552	10,347,636	65.0	60.3

Source: U.S. Census Bureau, 2002 and 2007 Economic Census, Survey of Business Owners (SBO), Hispanic-Owned Firms: SB02-00CS-HISP (RV), August 2006 and 2007 Survey of Business Owners (SBO), Hispanic-Owned Firms: SBO700CSA01. Compiled by Miami-Dade County, Department of Planning and Zoning, Research Section, 2010.

**Chart 4**  
**Hispanic-Owned Firms**  
**Top Twelve Counties\* - 2007**



*\* Out of the 50 Most populous counties in the United States.*

*Source: U.S. Census Bureau, Miami-Dade County, Department of Planning and Zoning, Research Section, 2010.*

**TABLE 11**  
Comparison of Hispanic-Owned Businesses  
Miami-Dade County and Other Counties Leading in Hispanic Businesses  
(Miami-Dade County Equals 100)  
2002 and 2007

County	<u>All Firms</u>				<u>Firms with Paid Employees</u>								<u>Firms without Paid Employees</u>			
	Firms		Receipts		Firms		Employees		Payroll		Receipts		Firms		Receipts	
	2002	2007	2002	2007	2002	2007	2002	2007	2002	2007	2002	2007	2002	2007	2002	2007
Miami-Dade, FL	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Los Angeles, CA	115.5	92.5	89.4	68.6	68.7	65.8	120.4	92.2	114.5	88.8	83.7	62.9	123.5	96.0	117.8	97.6
Harris, TX	38.0	34.9	34.9	31.4	17.7	21.0	32.9	33.9	39.4	39.8	33.0	28.2	41.4	36.7	44.4	47.6
Broward, FL	18.2	21.5	14.3	16.9	17.8	23.2	15.6	18.9	18.6	20.7	14.1	16.3	18.2	21.2	15.4	20.3
Bexar, TX	20.5	20.3	23.1	14.6	20.9	18.1	26.1	32.1	23.6	25.1	23.1	13.5	20.5	20.6	23.2	20.4

Source: U.S. Census Bureau, 2002 and 2007 Economic Census, Survey of Business Owners (SBO), Hispanic-Owned Firms: SB02-00CS-HISP (RV), August 2006 and 2007 Survey of Business Owners (SBO), Hispanic-Owned Firms: SBO700CSA01. Compiled by Miami-Dade County, Department of Planning and Zoning, Research Section, 2010.

The following seven tables reveal a comparison, for both 2002 and 2007, of all five counties in terms of number of firms, sales and receipts, employment, annual payroll, as well as selected key ratios. These tables provide details for the above characteristics by major industry sector. Table 14 and Table 15 display data on the number of firms and receipts for all firms. The remaining tables are specific only to firms with paid employees. While an in-depth analysis at this level of detail is beyond the scope of this report, some salient points emerge.

Table 12 shows that Miami-Dade has almost twice as many paid employees in *Wholesale trade* and more than four times the number of employees in *Health care and social assistance* than does Los Angeles. This weighting of employees is also generally reflected in the other three counties. These relationships also hold true in Table 13 and 16 that show the number of firms and receipts, respectively. Tables 14 and 15 provide data on number of firms and receipts for all firms. There are some significant differences in terms of proportionate share. Table 15 contains data in regard to total receipts. The most outstanding difference is seen in the *Wholesale trade* sector, where Miami-Dade significantly exceeds the other counties in proportionate share. This is also true for the *Professional, scientific and technical services* sector. Tables 17 and 18 present two characteristics, payroll and receipts, on a per employee basis for those firms with employees. As seen in Table 16, although annual payroll per employee in all sectors for Miami-Dade falls near the average for the five counties, there are some important differences by sector.

For example, Harris County has the highest annual payroll per employee overall at \$35,808, and markedly exceeds this characteristic relative to Miami-Dade in the *Wholesale trade and Health care and social assistance* sectors. Further in the latter sector, Miami-Dade is significantly lower in this measure than the three other counties as well. In terms of receipts per employee, Miami-Dade is higher in Miami-Dade than in any of the other counties in the *Educational services, and Professional, scientific, and technical services* sectors.

In summary, it should be clear that there is significant variation between Miami-Dade and the other counties in a variety of business measures. In particular, Hispanic-owned businesses in Miami-Dade are strong relative to other counties in several sectors. In the three business measures of number of firms, employees, and receipts these Miami-Dade businesses, as a whole, fare well in the *Wholesale trade, Health care and social assistance* sectors and *Professional, scientific and technical services* sectors. These sectors are weighted more heavily in the Miami-Dade economy as a whole and Hispanic-owned businesses appear to reflect this fact.

**TABLE 12**  
Hispanic-Owned Firms with Paid Employees by Sector  
**Employees**  
Top Five Counties  
2007

Sector	County				
	Miami-Dade, FL	Los Angeles, CA	Harris, TX	Broward, FL	Bexar, TX
Total for all sectors	169,525	156,273	57,397	32,121	54,397
Agriculture, forestry, fishing and hunting	16	S	S	S	S
Mining, quarrying, and oil and gas extraction	S	N/A	S	S	S
Utilities	S	N/A	S	S	S
Construction	19,497	14,353	6,692	4,560	3,607
Manufacturing	8,563	27,510	4,934	664	1,420
Wholesale trade	21,752	11,106	3,335	2,924	S
Retail trade	21,260	17,352	2,213	3,022	4,888
Transportation and warehousing	7,545	6,494	S	386	S
Information	1,214	2,031	594	164	202
Finance and insurance	5,662	2,584	641	1,204	694
Real estate and rental and leasing	5,958	3,203	1,875	804	239
Professional, scientific, and technical services	16,947	9,048	3,714	4,412	2,221
Management of companies and enterprises	1,399	S	S	S	S
Administrative and Support and Waste Mang	7,714	22,657	9,587	1,215	15,458
Educational services	1,324	505	180	248	324
Health care and social assistance	31,236	7,001	4,215	5,487	7,194
Arts, entertainment, and recreation	704	1,585	S	98	S
Accommodation and food services	12,361	21,277	13,918	5,018	13,003
Other services (except public administration)	6,265	6,820	2,832	1,558	2,467
Industries not classified	S	S	S	S	S

S = Estimates are suppressed when publication standards are not met, such as the relative standard error of the sales and receipts is 50 percent or more.

N/A = Not Available.

Source: U.S. Census Bureau, 2007 Survey of Business Owners (SBO), Hispanic-Owned Firms: SBO700CSA01.

Compiled by Miami-Dade County, Department of Planning and Zoning, Research Section, 2010.

**TABLE 13**  
**Hispanic-Owned Firms with Paid Employees by Sector**  
**Firms**  
**Top Five Counties**  
**2007**

Sector	County				
	Miami-Dade, FL	Los Angeles, CA	Harris, TX	Broward, FL	Bexar, TX
Total for all sectors	28,455	18,717	5,982	6,606	5,163
Agriculture, forestry, fishing and hunting	9	S	S	S	S
Mining, quarrying, and oil and gas extraction	S	S	S	S	S
Utilities	S	1	0	S	N/A
Construction	3,048	1,935	999	664	561
Manufacturing	958	2,110	336	245	162
Wholesale trade	3,471	1,249	394	635	S
Retail trade	3,503	1,983	409	695	525
Transportation and warehousing	1,356	939	S	162	S
Information	368	317	42	77	22
Finance and insurance	1,560	542	192	297	236
Real estate and rental and leasing	1,635	715	119	377	95
Professional, scientific, and technical services	4,361	1,744	556	907	532
Management of companies and enterprises	33	N/A	N/A	N/A	N/A
Administrative and Support and Waste Mang	1,323	1,560	457	481	401
Educational services	120	103	65	43	49
Health care and social assistance	3,433	1,475	783	869	751
Arts, entertainment, and recreation	279	348	S	47	S
Accommodation and food services	1,203	2,000	741	377	839
Other services (except public administration)	1,778	1,653	571	716	570
Industries not classified	S	S	S	S	S

S = Estimates are suppressed when publication standards are not met, such as the relative standard error of the sales and receipts is 50 percent or more.

N/A = Not Available

Source: U.S. Census Bureau, 2007 Survey of Business Owners (SBO), Hispanic-Owned Firms: SBO700CSA01.

Compiled by Miami-Dade County, Department of Planning and Zoning, Research Section, 2010.

**TABLE 14**  
**All Hispanic-Owned Firms by Sector**  
**Firms**  
**Top Five Counties**  
**2007**

Sector	County				
	Miami-Dade, FL	Los Angeles, CA	Harris, TX	Broward, FL	Bexar, TX
Total for all sectors	244,148	225,758	85,172	52,423	49,526
Agriculture, forestry, fishing and hunting	787	S	S	S	S
Mining, quarrying, and oil and gas extraction	S	S	S	S	S
Utilities	547	99	42	S	S
Construction	32,223	23,252	20,637	6,422	11,552
Manufacturing	3,366	5,803	1,344	863	757
Wholesale trade	9,171	3,927	1,110	1,949	S
Retail trade	16,842	18,947	5,825	3,719	4,550
Transportation and warehousing	23,110	23,528	11,551	2,688	3,101
Information	2,284	2,952	483	571	341
Finance and insurance	7,070	4,475	1,188	1,639	1,470
Real estate and rental and leasing	17,838	12,702	2,559	5,507	2,293
Professional, scientific, and technical services	22,826	16,336	4,663	5,391	3,841
Management of companies and enterprises	33	S	S	S	S
Administrative and Support and Waste Mang	30,934	36,092	13,825	8,312	6,465
Educational services	2,356	2,701	722	689	642
Health care and social assistance	22,984	24,493	6,346	4,015	4,640
Arts, entertainment, and recreation	5,413	8,209	1,478	1,347	1,395
Accommodation and food services	3,670	4,741	2,298	850	1,699
Other services (except public administration)	42,650	37,149	10,910	8,326	5,680
Industries not classified	S	S	S	S	S

S = Estimates are suppressed when publication standards are not met, such as the relative standard error of the sales and receipts is 50 percent or more.

Source: U.S. Census Bureau, 2007 Survey of Business Owners (SBO), Hispanic-Owned Firms: SBO700CSA01.

Compiled by Miami-Dade County, Department of Planning and Zoning, Research Section, 2010.

**TABLE 15**  
**All Hispanic-Owned Firms by Sector**  
**Receipts (\$1,000)**  
**Top Five Counties**  
**2007**

Sector	County				
	Miami-Dade, FL	Los Angeles, CA	Harris, TX	Broward, FL	Bexar, TX
Total for all sectors	45,039,001	30,909,654	14,139,482	7,623,765	6,576,103
Agriculture, forestry, fishing and hunting	28,707	S	S	S	S
Mining, quarrying, and oil and gas extraction	S	S	S	S	S
Utilities	9,068	2,370	1,100	S	S
Construction	4,552,781	3,417,375	2,514,273	1,155,609	956,655
Manufacturing	1,624,929	3,899,738	813,097	114,353	256,841
Wholesale trade	16,407,554	4,443,155	4,479,833	1,968,248	S
Retail trade	6,286,268	4,720,004	721,279	1,139,458	1,585,327
Transportation and warehousing	2,126,628	2,451,969	1,208,344	162,051	319,669
Information	476,015	456,586	100,724	71,481	21,097
Finance and insurance	1,967,885	1,671,109	148,705	392,584	131,546
Real estate and rental and leasing	1,700,967	1,047,104	416,915	321,688	106,195
Professional, scientific, and technical services	3,196,042	1,494,492	660,047	647,736	337,664
Management of companies and enterprises	171,860	S	S	S	S
Administrative and Support and Waste Mang	1,039,584	2,346,142	875,303	288,728	527,993
Educational services	109,475	65,168	17,630	21,755	20,578
Health care and social assistance	2,856,031	1,204,587	793,259	635,627	789,842
Arts, entertainment, and recreation	282,949	627,019	26,382	42,880	40,763
Accommodation and food services	801,808	1,492,679	746,879	229,881	585,827
Other services (except public administration)	1,396,974	1,476,110	601,606	340,986	258,499
Industries not classified	S	S	S	S	S

S = Estimates are suppressed when publication standards are not met, such as the relative standard error of the sales and receipts is 50 percent or more.

Source: U.S. Census Bureau, 2007 Survey of Business Owners (SBO), Hispanic-Owned Firms: SBO700CSA01.

Compiled by Miami-Dade County, Department of Planning and Zoning, Research Section, 2010.

**TABLE 16**  
Hispanic-Owned Firms with Paid Employees by Sector  
**Receipts (\$1,000)**  
Top 5 Counties  
2007

Sector	County				
	Miami-Dade, FL	Los Angeles, CA	Harris, TX	Broward, FL	Bexar, TX
Total for all sectors	37,626,491	23,671,940	10,610,398	6,121,863	5,062,530
Agriculture, forestry, fishing and hunting	6,231	S	S	S	S
Mining, quarrying, and oil and gas extraction	S	S	S	S	S
Utilities	S	S	S	S	S
Construction	3,631,071	2,544,050	1,179,939	897,952	432,929
Manufacturing	1,501,634	3,694,851	741,866	83,750	218,907
Wholesale trade	15,778,894	4,225,852	4,402,944	1,897,661	S
Retail trade	5,831,717	4,054,220	469,608	1,023,635	1,446,375
Transportation and warehousing	1,200,727	1,013,507	S	48,194	S
Information	402,669	355,161	92,169	45,202	12,003
Finance and insurance	1,548,278	1,523,342	106,664	344,123	98,388
Real estate and rental and leasing	705,937	435,400	300,724	124,154	47,466
Professional, scientific, and technical services	2,577,928	1,062,988	534,445	460,091	243,990
Management of companies and enterprises	171,860	S	S	S	S
Administrative and Support and Waste Mang	570,113	1,632,920	609,611	166,021	415,937
Educational services	84,343	26,583	12,946	9,524	15,963
Health care and social assistance	2,241,986	779,737	707,690	543,155	679,683
Arts, entertainment, and recreation	135,607	315,400	S	15,025	S
Accommodation and food services	736,624	1,394,754	701,302	217,904	545,145
Other services (except public administration)	497,941	526,478	314,188	156,805	154,134
Industries not classified	S	S	S	S	S

S = Estimates are suppressed when publication standards are not met, such as the relative standard error of the sales and receipts is 50 percent or more.

Source: U.S. Census Bureau, 2007 Survey of Business Owners (SBO), Hispanic-Owned Firms: SBO700CSA01.

Compiled by Miami-Dade County, Department of Planning and Zoning, Research Section, 2010.

**TABLE 17**  
**Hispanic-Owned Firms with Paid Employees by Sector**  
**Annual Payroll per Employee**  
Top Five Counties  
2007

Sector	County				
	Miami-Dade, FL	Los Angeles, CA	Harris, TX	Broward, FL	Bexar, TX
Total for all sectors	30,446	29,329	35,808	33,217	23,823
Agriculture, forestry, fishing and hunting	48,500	N/A	N/A	N/A	N/A
Mining, quarrying, and oil and gas extraction	N/A	N/A	N/A	N/A	N/A
Utilities	N/A	N/A	N/A	N/A	N/A
Construction	34,705	35,266	38,162	36,707	31,676
Manufacturing	30,007	28,698	33,255	27,248	28,390
Wholesale trade	34,712	30,491	65,156	45,574	N/A
Retail trade	23,707	24,027	23,779	26,792	29,478
Transportation and warehousing	26,964	32,805	N/A	25,883	N/A
Information	47,272	52,640	44,975	44,549	24,960
Finance and insurance	42,338	50,433	37,134	43,537	46,914
Real estate and rental and leasing	28,551	29,728	42,987	27,882	40,540
Professional, scientific, and technical services	47,526	47,160	64,274	44,781	50,339
Management of companies and enterprises	34,287	N/A	N/A	N/A	N/A
Administrative and Support and Waste Mang	25,789	24,595	32,708	38,082	15,020
Educational services	25,804	17,697	26,094	11,617	13,948
Health care and social assistance	27,757	39,681	62,044	37,494	42,918
Arts, entertainment, and recreation	34,568	101,430	N/A	34,969	N/A
Accommodation and food services	15,378	15,197	14,504	11,296	11,595
Other services (except public administration)	20,534	21,176	38,241	29,152	21,070
Industries not classified	N/A	N/A	N/A	N/A	N/A

N/A = Not Available.

Source: U.S. Census Bureau, 2007 Survey of Business Owners (SBO), Hispanic-Owned Firms: SBO700CSA01.  
Compiled by Miami-Dade County, Department of Planning and Zoning, Research Section, 2010.

**TABLE 18**  
Hispanic-Owned Firms with Paid Employees by Sector  
**Receipts per Employee**  
Top Five Counties  
2007

Sector	County				
	Miami-Dade, FL	Los Angeles, CA	Harris, TX	Broward, FL	Bexar, TX
Total for all sectors	221,952	151,478	184,860	190,588	93,066
Agriculture, forestry, fishing and hunting	389,438	N/A	N/A	N/A	N/A
Mining, quarrying, and oil and gas extraction	N/A	N/A	N/A	N/A	N/A
Utilities	N/A	N/A	N/A	N/A	N/A
Construction	186,237	177,249	176,321	196,919	120,025
Manufacturing	175,363	134,309	150,358	126,130	154,160
Wholesale trade	725,400	380,502	1,320,223	648,995	N/A
Retail trade	274,305	233,646	212,204	338,728	295,903
Transportation and warehousing	159,142	156,068	N/A	124,855	N/A
Information	331,688	174,870	155,167	275,622	59,421
Finance and insurance	273,451	589,529	166,402	285,816	141,769
Real estate and rental and leasing	118,486	135,935	160,386	154,420	198,603
Professional, scientific, and technical services	152,117	117,483	143,900	104,282	109,856
Management of companies and enterprises	122,845	N/A	N/A	N/A	N/A
Administrative and Support and Waste Mang	73,906	72,071	63,587	136,643	26,908
Educational services	63,703	52,640	71,922	38,403	49,269
Health care and social assistance	71,776	111,375	167,898	98,989	94,479
Arts, entertainment, and recreation	192,624	198,991	N/A	153,316	N/A
Accommodation and food services	59,593	65,552	50,388	43,424	41,925
Other services (except public administration)	79,480	77,196	110,942	100,645	62,478
Industries not classified	N/A	N/A	N/A	N/A	N/A

N/A = Not Available.

Source: U.S. Census Bureau, 2007 Survey of Business Owners (SBO), Hispanic-Owned Firms: SBO700CSA01.

Compiled by Miami-Dade County, Department of Planning and Zoning, Research Section, 2010.

## **Business by Hispanic or Latino Ethnic Group**

In minority-specific terms, Miami-Dade's Hispanic-owned firms are significantly of Cuban origin. A total of 48.2 percent of Hispanic-owned firms are Cuban-owned. For firms with employment, that concentration of ownership rises to 57.3 percent. These firms command 54.8 percent of the sales of all Hispanic-owned firms and 55.5 percent of the sales of firms with employees. These figures are found in Table 19, and they point out the entrepreneurial drive of the persons of Cuban-origin.

**TABLE 19**  
Origin of Owners of Hispanic, Latino, or Spanish-Owned Firms  
Miami-Dade County, Florida  
2007

	<u>All Firms</u>		<u>Firms with Paid Employees</u>			
	Firms	Receipts (\$1,000)	Firms	Receipts (\$1,000)	Employees	Payroll (\$1,000)
Totals *	244,148	45,039,001	28,455	37,626,491	169,525	5,161,434
Mexican, Mexican						
American, Chicano	7,905	664,143	512	461,169	2,588	59,731
Puerto Rican	16,968	931,956	1,055	511,192	3,722	94,142
Cuban	117,725	24,664,278	16,316	20,883,210	110,247	3,440,568
Other Hispanic, Latino, or Spanish	94,980	17,346,220	9,471	14,537,012	45,168	1,332,866
<u>Percentage Distribution</u>						
Totals	100.0	100.0	100.0	100.0	100.0	100.0
Mexican, Mexican						
American, Chicano	3.2	1.5	1.8	1.2	1.5	1.2
Puerto Rican	6.9	2.1	3.7	1.4	2.2	1.8
Cuban	48.2	54.8	57.3	55.5	65.0	66.7
Other Hispanic, Latino, or Spanish	38.9	38.5	33.3	38.6	26.6	25.8

\* Note: Detail does not add to total because of firms that are Hispanic-Owned, but not assigned to a Hispanic subgroup.

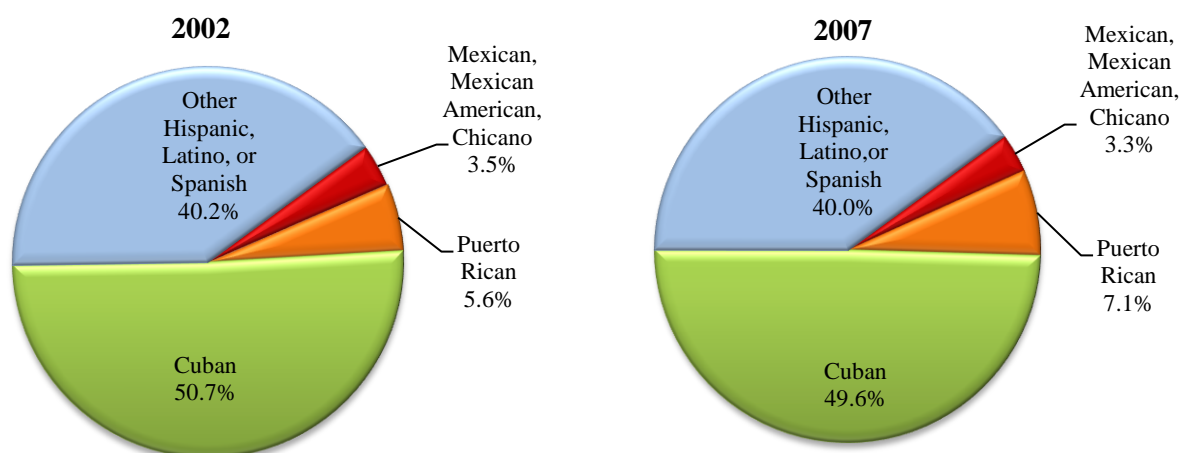
Source: U.S. Census Bureau, 2007 Survey of Business Owners (SBO), Hispanic-Owned Firms: SBO700CSA01.

Compiled by Miami-Dade County, Department of Planning and Zoning, Research Section, 2010.

Despite this dominance of Hispanic business activity by Cuban-owned firms, it is worth noting that their share has fallen considerably from 1987 levels in terms of total firms. Cubans had 72.9 percent of all Hispanic firms in that year and 79.7 percent of firms with employees. Most likely, this change is a result of increase in population of other Hispanics in Miami-Dade County during the last twenty years or so. The major gainer in terms of the number of firms was Other Hispanic, Latino, or Spanish origin- owned, which had less than 20.1 percent of all firms in 1987 but about 38.9 percent twenty years later.

Chart 5 illustrates the distribution of Hispanic-owned businesses in Miami-Dade County classified by four ethnic subgroups in 2002 and 2007. In both years, about one in two of the Hispanic-Owned firms in Miami-Dade was owned by Cubans. While for the Puerto Rican ethnic group the shares of firms went up from 5.6 percent in 2002 to 7.1 percent in 2007, for the Other Hispanic and Mexican ethnic groups the distribution of businesses remained virtually the same. Nationwide, the concentration of Hispanic-owned firms and related business measures is found among Mexican, Mexican American, or Chicano origin. However, the concentration of America's Hispanic-owned businesses among these groups is not nearly so pronounced as Miami-Dade's Cuban concentration. Nevertheless, 45.8 percent of the country's Hispanic-owned firms are in Mexican, Mexican American, or Chicano origin ownership. These firms account for almost 45.1 percent of this nation's sales among Hispanic-owned firms. It is worth noting that the concentration of Hispanic-owned businesses nationwide rises when only firms with employees are examined. In this category of Hispanic-owned firms find Mexican origin ownership accounting for 47.9 percent of the firms, 54.4 percent of the employees, 48.9 percent of the payroll, and 44.2 percent of the country's sales. However, all of these figures are considerably below the 1987 values, as other Hispanic origin groups have gained shares. Nationwide, Cuban-owned business accounted for about 11.1 percent of total Hispanic firms in 2007, slightly higher than in 1987 at 10.4 percent. Since 1987, their share of sales among Hispanic firms nationwide grew much higher from 22.2 to 33.0 percent.

**Chart 5**  
**Distribution of Hispanic-Owned Firms by Ethnic Group**  
**Miami-Dade County**



Source: U.S. Census Bureau, Miami-Dade County, Department of Planning and Zoning, Research Section, 2010.

## **Summary**

In conclusion, it should be clear that while Hispanic-owned firms in Miami-Dade County have grown substantially, in fact by more than five times from 1987 to 2007, they still trail the broad group of all firms in the County in terms of number of paid employees and average receipts. While their participation in the local business community has increased significantly during the period, their true economic potential is still unrealized. If Hispanic-owned firms in Miami-Dade reached their potential and operated and performed at a level similar to the County's average firm, there would be a much higher number of firms with employees creating close to 327,000 jobs and generating \$76.3 billion in receipts. This can be inferred from the composition of the Hispanic-owned firms with employees, where the average firm size as well as the average receipts per firm is well below the corresponding measure for all firms in the County. As Miami-Dade's population increases, the growth of Hispanic-owned businesses in size and capacity becomes critical for job creation and this should be encouraged by the area's public and private leaders.

MIAMI-DADE COUNTY DEPARTMENT OF PLANNING AND ZONING  
PLANNING DIVISION

Marc L. LaFerrier, AICP, Director  
Subrata Basu, AICP, Assistant Director for Planning

Manuel A. Armada  
Chief, Planning Research Section

Staff Contributory to Report:

Manuel A. Armada, Chief  
Panos Efstathiou, Principal Planner  
Robert Schwarzeich, Section Supervisor  
Antoaneta Apostolakos, Senior Planner  
John Lucas, Senior Planner

With assistance from:

Helen Rodriguez  
Administrative Secretary

Copies of this report are available from:

Planning Research Section  
Miami-Dade Department of Planning and Zoning  
Stephen P. Clark Center, Suite 1220  
111 NW 1<sup>st</sup> Street  
Miami, Florida 33128-1972  
(305) 375-2845